



Department of Justice

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ALABAMA DOCTOR PLEADS GUILTY; HUSBAND CONVICTED OF TAX FRAUD

WASHINGTON -- William Paul, formerly of Montgomery, Ala., was convicted today by a federal jury in Montgomery on four counts of tax evasion for the tax years 2004 through 2007, and of one count of failing to file a tax return, the Justice Department and Internal Revenue Service (IRS) announced. Pauls' wife, Donna Paul, a board-certified rheumatologist, pleaded guilty to one count of tax evasion and one count of filing a false federal income tax return on Nov. 16, 2011.

According to evidence introduced at trial, Donna and William Paul owned and operated a medical practice in Montgomery. The Pauls attempted to evade the assessment and payment of Donna Paul's income by falsely characterizing her income as loans, by making false statements to IRS employees, and by deliberately causing the non-profit organizations to not file tax returns. Evidence further showed that Donna Paul did not timely file federal individual income tax returns for the years 2004 through 2007. On April 5, 2011, the day IRS-Criminal Investigation special agents arrested her, Donna Paul filed four false tax returns for tax years 2004 through 2007. She testified at trial that each tax return did not include the money she earned from her medical practice.

Based on testimony at trial, William Paul had not filed a federal income tax return since the 1980s. Donna Paul also testified that William Paul ran the business side of the medical practice, initially called "Rheumatology Specialists of Central Alabama," then "Rheumatology Specialists Arthritis and Osteoporosis Center," then "Children and Adult Arthritis and Osteoporosis Center."

Donna Paul faces a potential maximum of eight years in prison and a fine of up to \$500,000. William Paul faces a potential maximum of twenty-one years in prison and a fine of up to \$1.1 million.

John A. DiCicco, Principal Deputy Assistant Attorney General for the Justice Department's Tax Division, and George L. Beck, Jr., U.S. Attorney for the Middle District of Alabama, made the announcement.

This case was investigated by IRS Criminal Investigation and is being prosecuted by Tax Division Trial Attorneys Justin Gelfand and Michael Boteler.

More information about the Justice Department's Tax Division and its enforcement efforts is available at www.usdoj.gov/tax.

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